AMENDED IN ASSEMBLY APRIL 25, 2005

CALIFORNIA LEGISLATURE—2005-06 REGULAR SESSION

ASSEMBLY BILL

No. 607

Introduced by Assembly Member Goldberg

February 17, 2005

An act to amend—Section 41601 of Sections 52122, 52122.6, 52122.7, 52122.8, 52123, 52124, and 52126 the Education Code, relating to school finance class size.

LEGISLATIVE COUNSEL'S DIGEST

AB 607, as amended, Goldberg. School finance: average daily attendance calculation. Class size reduction.

Existing law establishes the Class Size Reduction Program in which participating school districts are provided up to \$800 per pupil for reducing class size to a ratio of 20 pupils to I teacher in kindergarten and any of grades 1 to 3, inclusive. Existing law requires the Controller to deduct the entire amount of funding received for each class that the school district failed to maintain that ratio.

This bill would, instead, for participating schools ranked in any of deciles 1 to 3, inclusive, on the Academic Performance Index (API) provide up to \$906 per pupil for reducing class size to a ratio of 20 pupils to 1 teacher in kindergarten and any of grades 1 to 5, inclusive. The bill would provide that a school district would continue to receive that amount even if the school for which the funding is provided is no longer ranked in any of deciles 1 to 3, inclusive.

The bill would, for participating schools ranked in any of deciles 4 to 6, inclusive, on the API provide an unspecified amount per pupil for reducing class size to a ratio of 23 pupils to 1 teacher in kindergarten and any of grades 1 to 3, inclusive.

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This bill would, for participating schools ranked in any of deciles 7 to 10, inclusive, on the API provide an unspecified amount per pupil for reducing class size to a ratio of 26 pupils to 1 teacher in kindergarten and any of grades 1 to 3, inclusive.

The bill would also make corresponding changes to other provisions of existing law to implement these provisions.

Under existing law, the amount of state school funding apportioned to each school district for each fiscal year is calculated according to the base revenue limit of that district, as specified, and average daily attendance in the regular public elementary and secondary schools is determined for this purpose by dividing the total number of days of attendance allowed in all full school months in each apportionment period by the number of days the schools are actually taught in all full school months in each period, as specified.

This bill, instead, would calculate that average daily attendance by dividing the total number of days of active enrollment by pupils allowed in all full school months in each apportionment period by the number of days the schools are actually taught in all full school months in each period, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 41601 of the Education Code is amended to read:
- SECTION 1. Section 52122 of the Education Code is 3 4 amended to read:
- 5 52122. (a) (1) Except as otherwise provided by Section
- 52123, any school district having jurisdiction over a school that is ranked in any of deciles 1 to 3, inclusive, on the Academic
- Performance Index (API) that maintains any kindergarten or any
- of grades 1 to 3 5, inclusive, may apply to the Superintendent of
- 10 Public Instruction for an apportionment to implement a class size
- reduction program in that school district in kindergarten and any 11
- 12 of the grades designated in this chapter subdivision.
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- 14 (2) An application submitted pursuant to this chapter shall 15
- identify both of the following:
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(A) Each class that will participate in the Class Size Reduction Program.

(2)

(B) For each class that will participate in the Class Size Reduction Program, whether that class will operate under Option One or Option Two:

(A)

(i) (I) Option One: A school district shall provide a reduced class size for all pupils in each classroom for the full regular schoolday in each grade level for which funding is claimed. For the purposes of this chapter, "full regular schoolday" means a substantial majority of the instructional minutes per day, but shall permit limited periods of time during which pupils are brought together for a particular phase of education in groups that are larger than 20 pupils per certificated teacher. It is the intent of the Legislature that those limited periods of time be kept to a minimum and that instruction in reading and mathematics not be delivered during those limited periods of time. For the purposes of this subparagraph clause, "class" is defined in the same manner as provided in the regulations adopted by the Superintendent of Public Instruction prior to July 1, 1996, pursuant to Sections 41376 and 41378 (subdivision (a) of Section 15103 of Title 5 of the California Code of Regulations).

(ii)

(II) The purpose of the Class Size Reduction Program is to ensure that children in public-school schools that are ranked in any of deciles 1 to 3, inclusive, on the API in kindergarten and grades 1 to—3 5, inclusive, receive instruction in classrooms where there are not more than 20 pupils. Except as provided in subdivision (h) paragraph (5), in order to qualify for funding pursuant to this chapter, each class in the Class Size Reduction Program shall be maintained with an annual average class size of not more than 20 pupils for the instructional time that qualifies the class for funding pursuant to this chapter. Nothing in this This chapter-shall be construed to does not prohibit the class size from exceeding 20 pupils on any particular day, provided that the average class size for the school year does not exceed 20.

38 (B) (i) *(ii) (I)*

(ii) (I) Option Two: A school district shall provide a reduced class size for all pupils in each classroom for at least one-half of

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the instructional minutes offered per day in each grade level for 2 which funding is claimed. School district A school district 3 selecting this option shall primarily devote those instructional 4 minutes to the subject areas of reading and mathematics. For the purposes of this-subparagraph clause, "class" is defined in the 5 same manner as provided in the regulations adopted by the 6 7 Superintendent—of Public Instruction prior to July 1, 1996, 8 pursuant to Sections 41376 and 41378 (subdivision (a) of Section 15103 of Title 5 of the California Code of Regulations). 10

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- (II) The purpose of the Class Size Reduction Program is to ensure that children in public-schools that are ranked in the bottom three deciles on the API in kindergarten and grades 1 to-3 5, inclusive, receive instruction in classrooms where there are not more than 20 pupils. Except as provided in subdivision (h) paragraph (5), in order to qualify for funding pursuant to this ehapter subdivision, each class in the Class Size Reduction Program shall be maintained with an annual average class size of not more than 20 pupils for the instructional time that qualifies the class for funding pursuant to this chapter. Nothing in this chapter shall be construed to prohibit the class size from exceeding 20 pupils on any particular day, provided that the average class size for the school year does not exceed 20 pupils.
- (c) A school district that intends to implement a class size reduction program for the 1996-97 school year shall submit an application for funds pursuant to this chapter to the Superintendent of Public Instruction not later than November 1, 1996. To receive the total amount of funding in the 1996–97 school year for which the school district is eligible pursuant to Section 52126, a school district shall implement the Class Size Reduction Program by February 16, 1997, within the meaning of paragraph (2) of subdivision (b).

(d)

(3) A school district that intends to implement or continue to implement a class size reduction program for the 1997–98 school year and any subsequent school year shall submit an application for funding pursuant to this chapter to the Superintendent-of Public Instruction not later than 90 days after the annual Budget Act is chaptered, unless otherwise specified in regulations adopted by the State Board of Education.

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(c) For the 1997–98 school year, a school district that is either implementing or expanding a class size reduction program pursuant to this chapter may receive funding pursuant to this chapter even if the new classes for which funding is sought are not implemented at the beginning of the 1997–98 school year, provided that, for each new class in the Class Size Reduction Program, all of the following criteria are met:

- (1) The teacher for each new class is hired and placed on the school district's payroll by November 1, 1997.
- (2) Each teacher for a new class has begun to receive the training required by this chapter on or before February 16, 1998.
- (3) All other requirements of this chapter are satisfied by February 16, 1998, and continue to be satisfied for the remainder of the 1997–98 school year.
- (f) For the 1997–98 school year, the number of new classes in the Class Size Reduction Program is the number of classes satisfying the requirements of this chapter minus the number of classes funded in the Class Size Reduction Program pursuant to this chapter in the 1996–97 school year.

(g)

(4) Any school district that chooses to reduce class size through the use of an early-late instructional program is ineligible to also use Section 46205, relating to the computation of instructional time for purposes of the Incentive for Longer Instructional Day and Year, in any grade level for which class size reduction funding is received pursuant to this chapter; provided, however, that any school district that operated under Section 46205 prior to July 1, 1996, may receive class size reduction funding pursuant to Option One in any grade level for which class size reduction funding would otherwise be received pursuant to Option One.

(h) (1)

(5) (A) Notwithstanding any other provision of law, a school district that maintains only one school serving pupils in kindergarten and grades 1 to-3 5, inclusive, is eligible to receive funding under this-section subdivision on behalf of the school if there are no more than two classes per participating grade level and the average class size is no more than 20 pupils in each of the classes participating in class size reduction at that schoolsite. For purposes of this-subdivision paragraph, average class size

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may be determined by calculating the total number of pupils enrolled in all classes at all grade levels in a school that will participate in the Class Size Reduction Program divided by the total number of classes in the school. The ratio of pupils to teacher in any class included in the average shall not exceed the 20 to 1 standard by more than two pupils.

(2)

- (B) As a condition of applying for funding under this subdivision paragraph, a governing board shall make a public declaration, either by adopting a resolution or by issuing a statement in a publicly noticed open meeting, that it has exhausted all possible alternatives to averaging and is unable to achieve the 20 to 1 pupil-teacher ratio in a way that is educationally acceptable.
- (b) (1) Except as otherwise provided by Section 52123, any school district having jurisdiction over a school that is ranked in any of deciles 4 to 6, inclusive, that maintains any kindergarten or any of grades 1 to 3, inclusive, on the API may apply to the Superintendent for an apportionment to implement a class size reduction program in that school district in kindergarten and any of the grades designated in this subdivision.
- (2) An application submitted pursuant to this chapter shall identify both of the following:
- (A) Each class that will participate in the class size reduction program.
- (B) For each class that will participate in the class size reduction program, whether that class will operate under Option One or Option Two:
- (i) (I) Option One: A school district shall provide a reduced class size for all pupils in each classroom for the full regular schoolday in each grade level for which funding is claimed. For the purposes of this chapter, "full regular schoolday" means a substantial majority of the instructional minutes per day, but shall permit limited periods of time during which pupils are brought together for a particular phase of education in groups that are larger than 23 pupils per certificated teacher. It is the intent of the Legislature that those limited periods of time be kept to a minimum and that instruction in reading and mathematics not be delivered during those limited periods of time. For the purposes of this clause, "class" is defined in the same manner as

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provided in the regulations adopted by the Superintendent prior to July 1, 1996, pursuant to Sections 41376 and 41378 (subdivision (a) of Section 15103 of Title 5 of the California Code of Regulations).

- (II) The purpose of the Class Size Reduction Program is to ensure that children in public schools that are ranked in any of deciles 4 to 6, inclusive, on the API in kindergarten and grades 1 to 3, inclusive, receive instruction in a classroom in which there is not more than 23 pupils. Except as provided in paragraph (5), in order to qualify for funding pursuant to this chapter, each class in the Class Size Reduction Program shall be maintained with an annual average class size of not more than 23 pupils for the instructional time that qualifies the class for funding pursuant to this chapter. This chapter does not prohibit the class size from exceeding 23 pupils on any particular day, provided that the average class size for the school year does not exceed 23 pupils.
- (ii) (I) Option Two: A school district shall provide a reduced class size for all pupils in each classroom for at least one-half of the instructional minutes offered per day in each grade level for which funding is claimed. School districts selecting this option shall primarily devote those instructional minutes to the subject areas of reading and mathematics. For the purposes of this clause, "class" is defined in the same manner as provided in the regulations adopted by the Superintendent prior to July 1, 1996, pursuant to Sections 41376 and 41378 (subdivision (a) of Section 15103 of Title 5 of the California Code of Regulations).
- (II) The purpose of the Class Size Reduction Program is to ensure that children in public schools that are ranked in any of deciles 4 to 6, inclusive, on the API, in kindergarten and grades 1 to 3, inclusive, receive instruction in a classroom in which there is not more than 23 pupils. Except as provided in paragraph (5), in order to qualify for funding pursuant to this subdivision, each class in the Class Size Reduction Program shall be maintained with an annual average class size of not more than 23 pupils for the instructional time that qualifies the class for funding pursuant to this chapter. This chapter does not prohibit the class size from exceeding 23 pupils on any particular day, provided that the average class size for the school year does not exceed 23 pupils.

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(3) A school district that intends to implement or continue to implement a class size reduction program shall submit an application for funding pursuant to this chapter to the Superintendent not later than 90 days after the annual Budget Act is chaptered, unless otherwise specified in regulations adopted by the State Board of Education.

- (4) Any school district that chooses to reduce class size through the use of an early-late instructional program is ineligible to also use Section 46205, relating to the computation of instructional time for purposes of the Incentive for Longer Instructional Day and Year, in any grade level for which class size reduction funding is received pursuant to this chapter; provided, however, that any school district that operated under Section 46205 prior to July 1, 1996, may receive class size reduction funding pursuant to Option One in any grade level for which class size reduction funding would otherwise be received pursuant to Option One.
- (5) (A) Notwithstanding any other provision of law, a school district that maintains only one school serving pupils in kindergarten and grades 1 to 3, inclusive, is eligible to receive funding under this subdivision on behalf of the school if there are no more than two classes per participating grade level and the average class size is no more than 23 pupils in each of the classes participating in class size reduction at that schoolsite. For purposes of this paragraph, average class size may be determined by calculating the total number of pupils enrolled in all classes at all grade levels in a school that will participate in the Class Size Reduction Program divided by the total number of classes in the school. The ratio of pupils to teacher in any class included in the average may not exceed the 23 to 1 standard by more than two pupils.
- (B) As a condition of applying for funding under this paragraph, a governing board shall make a public declaration, either by adopting a resolution or by issuing a statement in a publicly noticed open meeting, that it has exhausted all possible alternatives to averaging and is unable to achieve the 23 to 1 pupil-teacher ratio in a way that is educationally acceptable.
- (c) (1) Except as otherwise provided by Section 52123, any school district having jurisdiction over a school that is ranked in any of deciles 7 to 10, inclusive, that maintains any kindergarten

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or any of grades 1 to 3, inclusive, on the API may apply to the Superintendent for an apportionment to implement a class size reduction program in that school district in kindergarten and any of the grades designated in this subdivision.

- (2) An application submitted pursuant to this chapter shall identify both of the following:
- (A) Each class that will participate in the class size reduction program.
 - (B) For each class that will participate in the class size reduction program, whether that class will operate under Option One or Option Two:
 - (i) (I) Option One: A school district shall provide a reduced class size for all pupils in each classroom for the full regular schoolday in each grade level for which funding is claimed. For the purposes of this chapter, "full regular schoolday" means a substantial majority of the instructional minutes per day, but shall permit limited periods of time during which pupils are brought together for a particular phase of education in groups that are larger than 26 pupils per certificated teacher. It is the intent of the Legislature that those limited periods of time be kept to a minimum and that instruction in reading and mathematics not be delivered during those limited periods of time. For the purposes of this clause, "class" is defined in the same manner as provided in the regulations adopted by the Superintendent prior to July 1, 1996, pursuant to Sections 41376 and 41378 (subdivision (a) of Section 15103 of Title 5 of the California Code of Regulations).
- (II) The purpose of the Class Size Reduction Program is to ensure that children in public schools that are ranked in any of deciles 7 to 10, inclusive, on the API in kindergarten and grades 1 to 3, inclusive, receive instruction in a classroom in which there is not more than 26 pupils. Except as provided in paragraph (5), in order to qualify for funding pursuant to this subdivision, each class in the Class Size Reduction Program shall be maintained with an annual average class size of not more than 26 pupils for the instructional time that qualifies the class for funding pursuant to this chapter. This chapter does not prohibit the class size from exceeding 26 pupils on any particular day, provided that the average class size for the school year does not exceed 26.

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(ii) (I) Option Two: A school district shall provide a reduced class size for all pupils in each classroom for at least one-half of the instructional minutes offered per day in each grade level for which funding is claimed. School districts selecting this option shall primarily devote those instructional minutes to the subject areas of reading and mathematics. For the purposes of this clause, "class" is defined in the same manner as provided in the regulations adopted by the Superintendent prior to July 1, 1996, pursuant to Sections 41376 and 41378 (subdivision (a) of Section 15103 of Title 5 of the California Code of Regulations).

- (II) The purpose of the Class Size Reduction Program is to ensure that children in public schools that are ranked in any of deciles 7 to 10, inclusive, on the API, in kindergarten and grades 1 to 3, inclusive, receive instruction in a classroom in which there is not more than 26 pupils. Except as provided in paragraph (5), in order to qualify for funding pursuant to this subdisivion, each class in the Class Size Reduction Program shall be maintained with an annual average class size of not more than 26 pupils for the instructional time that qualifies the class for funding pursuant to this chapter. This chapter does not prohibit the class size from exceeding 26 pupils on any particular day, provided that the average class size for the school year does not exceed 26 pupils.
- (3) A school district that intends to implement or continue to implement a class size reduction program shall submit an application for funding pursuant to this chapter to the Superintendent not later than 90 days after the annual Budget Act is chaptered, unless otherwise specified in regulations adopted by the State Board of Education.
- (4) Any school district that chooses to reduce class size through the use of an early-late instructional program is ineligible to also use Section 46205, relating to the computation of instructional time for purposes of the Incentive for Longer Instructional Day and Year, in any grade level for which class size reduction funding is received pursuant to this chapter; provided, however, that any school district that operated under Section 46205 prior to July 1, 1996, may receive class size reduction funding pursuant to Option One in any grade level for which class size reduction funding would otherwise be received pursuant to Option One.

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(5) (A) Notwithstanding any other provision of law, a school district that maintains only one school serving pupils in kindergarten and grades 1 to 5, inclusive, is eligible to receive funding under this subdivision on behalf of the school if there are no more than two classes per participating grade level and the average class size is no more than 26 pupils in each of the classes participating in class size reduction at that schoolsite. For purposes of this paragraph, average class size may be determined by calculating the total number of pupils enrolled in all classes at all grade levels in a school that will participate in the Class Size Reduction Program divided by the total number of classes in the school. The ratio of pupils to teacher in any class included in the average may not exceed the 26 to 1 standard by more than two pupils.

(B) As a condition of applying for funding under this paragraph, a governing board shall make a public declaration, either by adopting a resolution or by issuing a statement in a publicly noticed open meeting, that it has exhausted all possible alternatives to averaging and is unable to achieve the 26 to 1 pupil-teacher ratio in a way that is educationally acceptable.

SEC. 2. Section 52122.6 of the Education Code is amended to read:

52122.6. A school district applying for funds to implement a Class Size Reduction Program, as part of its application for that funding, may request that the State Board of Education grant the school district a one-year waiver of subparagraph (A) of paragraph (2) of subdivision (b) clause (i) of subparagraph (B) of paragraph (2) of subdivision (a) of, clause (i) of subparagraph (B) of paragraph (B) of paragraph (C) of subdivision (C) of, Section 52122 and subdivision (C) of Section 52123, at a schoolsite or schoolsites. The State Board of Education may grant the waiver if all of the provisions of this section and Sections 52122.7 and 52122.8 are met. A school district requesting a waiver may receive Option One funding at the per pupil amount defined in subdivision (a) of Section 52126 if all of the following eligibility requirements are met:

(a) The schoolsite or schoolsites, for which the waiver is requested, is on a multitrack year-round educational schedule.

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 (b) A minimum of 40 percent of the school district's enrollment is on a multitrack year-round educational schedule as reported by the district from the most recent verifiable pupil data available.

- (c) For each acre of the schoolsite or schoolsites for which the school district is requesting a waiver, the schoolsite has an average of at least 200 elementary pupils enrolled in instructional programs that require regular pupil attendance at the site, as reported by the district from the most recent verifiable pupil and site data available.
- (d) The school district has certified that it has either reconfigured attendance boundaries in order to implement the Class Size Reduction Program, or has determined that reconfiguration is ineffective for purposes of implementing the Class Size Reduction Program, at the schoolsite or schoolsites for which the waiver is requested.
- SEC. 3. Section 52122.7 of the Education Code is amended to read:
- 52122.7. (a) For each schoolsite that meets eligibility requirements pursuant to Section 52122.6, the school district shall submit to the State Board of Education, no later than the time of its application, a comprehensive plan for a permanent mitigation of the facilities problems that have prevented the implementation of class size reduction. This comprehensive plan to mitigate the facilities impact of class size reduction shall include all of the following:
- (1) An assessment of what will be necessary to implement class size reduction for the current and projected pupils at the site in kindergarten and *all* grades 1 to 3, inclusive *eligible for class size reduction*, including the types of facilities that will be acquired, constructed, or leased to meet the need.
- (2) An overall summary of how the school district will meet the facilities needs for pupils attending and projected to attend the schoolsite or schoolsites, including a reasonable timeframe for completion, and estimates of pupil population growth over the period of the plan.
- (3) Annual measurable benchmarks of progress that will ensure that the project is completed within the timeframe specified in the plan.

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(4) The total cost of the plan for acquiring or constructing the facilities needed, including, but not necessarily limited to, any site acquisition, relocation costs, site preparation, construction, cost of leases, and relocatable classrooms.

- (5) A financial plan for completion of the project, including a range of realistically feasible sources of funding for meeting the facility needs. The means of financing the plan may include, but are not necessarily limited to, local general obligation bonds, state lease revenue bonds, certificates of participation, appropriate developer fees, and state general obligation bonds. However, the initial plan shall not include more than 50 percent state funding, excluding funds from state lease revenue bonds, unless a greater amount of state funding has been assured.
- (b) The plan shall be reviewed by the State Department of Education department and the State Board of Education to ensure that implementation of the plan would reasonably result in the ability of the school district to implement class size reduction for the pupils attending the schoolsite or schoolsites receiving the waiver. The State Department of Education department shall make recommendations to the State Board of Education regarding the results of its review. The State Board of Education may grant a waiver to any complete plan that it deems to be feasible.
- (c) For each subsequent year that the school district requests a continuation of the waiver, the district shall submit with its application an assessment of the district's progress toward meeting each of the annual benchmarks in the approved plan for each impacted site, and a description and review of the educational programs and configurations used in lieu of reduced class sizes at the site receiving the waiver as required in subdivision (a) of Section 52122.8.
- (d) (1) The State Department of Education and the State Board of Education department shall annually review the progress report and the plan to ensure that the school district is making progress to achieve the solution outlined in the plan and that annual benchmarks of progress have been achieved. The department shall make recommendations to the board regarding the results of its review of the annual progress report. The waiver may be continued for each year, not to exceed six years, that the

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39 40 board determines that the district has achieved the annual benchmarks for completion of the mitigation plan.

- (2) The State Board of Education may require a school district to revise its plan if the board determines that elements of the original plan, including the financial plan, are no longer feasible. If the board determines that the district has not met the annual benchmarks in the facilities plan, or that the overall intent of the facilities plan is not being achieved, the waiver shall not be granted.
- SEC. 4. Section 52122.8 of the Education Code is amended to read:
 - 52122.8. (a) A school district that meets the criteria set forth in Sections 52122.6 and 52122.7 and that has been granted a waiver by the State Board of Education for a schoolsite or schoolsites, may receive Option One funding at the per pupil amount defined in subdivision (a) of Section 52126 under the following conditions:
- (1) The school district hires additional teachers to provide instruction at each schoolsite for which a waiver is granted so that the teacher-to-pupil ratio averages 1 to 20 for a school district participating under subdivision (a) of Section 52122, 1 to 23 for a school district participating under subdivision (b) of Section 52122, or 1 to 26 for a school district participating under subdivision (c) of Section 52122, whether or not each group of pupils is enrolled in a separate class; provided that there is not less than one full-time certificated teacher hired and providing instruction for each group of 20 pupils for each grade level at the site participating under subdivision (a) of Section 52122, not less than one full-time certificated teacher hired and providing instruction for each group of 23 pupils for each grade level at the site participating under subdivision (b) of Section 52122, or not less than one full-time certificated teacher hired and providing instruction for each group of 26 pupils for each grade level at the site participating under subdivision (c) of Section 52122, for which a waiver is requested. The State Board of Education may grant the waiver even though pupils may be housed in groups of greater than 20 the maximum allowable number of pupils for all, or a portion, of the full regular schoolday.
- (2) The primary focus of the increased teacher-to-pupil ratios at the site is reading and mathematics instruction.

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(3) The school district provides an annual report of how pupils at the impacted site will be served in enriched teacher-to-pupil ratios during the time of the waiver.

- (4) All requirements of the Class Size Reduction Program contained in this chapter are met except for those in subparagraph (A) of paragraph (2) of subdivision (b) clause (i) of subparagraph (B) of paragraph (2) of subdivision (a), or clause (i) of subparagraph (B) of paragraph (2) of subdivision (b), or clause (i) of subparagraph (B) of paragraph (2) of subdivision (c) of Section 52122 and subdivisions (c) and (f) of Section 52123.
- (b) Notwithstanding paragraph (2) of subdivision (c) of Section 52122.1 and subdivision (d) of Section 52122.1, sehoolsites a schoolsite receiving funding under this section shall be eligible for the facilities loan program pursuant to Section 52122.1. The district may receive forty thousand dollars (\$40,000) per each new teacher hired for class size reduction pursuant to this section up to the amount of funding available pursuant to paragraph (1) of subdivision (c) of Section 52122.1.
- SEC. 5. Section 52123 of the Education Code is amended to read:
- 52123. A school district's application for funding to implement a program pursuant to this chapter shall include the district's certification of each of the following items as a condition to receiving any apportionment under Section 52126:
- (a) Certification of the number of classes in each eligible grade level selected for a class size reduction apportionment pursuant to this chapter.
- (b) Certification of pupil enrollment, as of October of the previous calendar year, in each class selected for class size reduction pursuant to subdivision (a). Classes comprised of special education pupils enrolled in special day classes on a full-time basis shall not be included in this program. School districts A school district may not claim funding pursuant to this chapter for any pupil who is enrolled in independent study pursuant to Article 5.5 (commencing with Section 51745) of Chapter 5 of Part 28 for the full regular schoolday nor may a school-districts district claim funding pursuant to this chapter for any pupil for any portion of the full regular day that the pupil is enrolled in independent study pursuant to that article. Charter

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schools-A charter school may not claim funding pursuant to this chapter for any pupil who is enrolled in a program of home study for the full regular schoolday nor may a charter-schools school claim funding for any pupil for any portion of the full regular schoolday that the pupil is enrolled in a program of home study.

- (c) (1) Except as provided in paragraph (2), certification that a certificated teacher has been hired by the school district and is providing direct instructional services to each class selected for class size reduction pursuant to this chapter and that there are not more than 20 the maximum allowable number of pupils per each class.
- (2) In a school district that applies for funding pursuant to paragraph (5) of subdivision—(h) (a) paragraph (5) of subdivision (b), or paragraph (5) of subdivision (c) of Section 52122, certification of all of the following:
- (A) A certificated teacher has been hired by the school district and is providing direct instructional services to each class selected for class size reduction pursuant to this chapter.
- (B) The ratio of pupils to teacher does not exceed the 20 to 1 standard maximum allowable ratio by more than two pupils.
- (3) For the purposes of this subdivision, "class" shall be defined in the same manner as provided in the regulations adopted by the Superintendent of Public Instruction prior to July 1, 1996, pursuant to Sections 41376 and 41378 (subdivision (a) of Section 15103 of Title 5 of the California Code of Regulations).
- (d) Certification that the school district has a staff development program pursuant to Section 52127 and that the program has been approved by the governing board of the school district.
- (e) Certification that the school district will collect and maintain any data required by the Superintendent—of Public Instruction that will aid in the evaluation of the Class Size Reduction Program. The data shall include, but not be limited to, individual test scores or other records of pupil achievement. Any data—Data collected shall be protected in a manner that will not permit the personal identification of any pupil or parent.
- (f) Commencing with the 1998–99 school year and each school year thereafter, certification Certification that each class reduced pursuant to this chapter is housed in either a separate,

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self-contained classroom or that the space of each class for each grade level at that schoolsite provides a square footage per pupil enrolled in each class that is not less than the average square footage per pupil enrolled in those grade levels at that schoolsite in the 1995–96 school year.

- SEC. 6. Section 52124 of the Education Code, as amended by Section 1 of Chapter 910 of the Statutes of 2004, is amended to read:
- 52124. (a) A school district that implements a class size reduction program pursuant to this chapter is subject to this section.
- (b) A school district may establish a program to reduce class size in kindergarten and grades 1 to 3, inclusive, accordance with Section 52122 and that program shall be implemented at each schoolsite according to the following priorities:
- (1) If only one grade level is reduced at a schoolsite, the grade level shall be grade 1.
- (2) If only two grade levels are reduced at a schoolsite, the grade levels shall be grades 1 and 2.
- (3) If three grade levels are reduced at a schoolsite, then those grade levels shall be kindergarten and grades 1 and 2 or grades 1 to 3, inclusive. Priority shall be given to the reduction of class sizes in grades 1 and 2 before the class sizes of kindergarten or grade 3 are reduced.
- (4) If four grade levels are reduced at a schoolsite, then those grade levels shall be kindergarten and grades 1 to 3, inclusive. First priority shall be given to the reduction of class sizes in grades 1 and 2, second priority shall be given to the reduction of class size in kindergarten and grade 3. This paragraph shall be operative only in those fiscal years for which funds are appropriated expressly for the purposes of this paragraph.
- (5) If five grade levels are reduced at a schoolsite, then those grade levels shall be kindergarten and grades 1 to 4, inclusive. First priority shall be given to the reduction of class sizes in grades 1 and 2, second priority shall be given to the reduction of class size in kindergarten and grade 3, third priority shall be given to the reduction of class size in grade 4. This paragraph shall be operative only in those fiscal years for which funds are appropriated expressly for the purposes of this paragraph.

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(6) If six grade levels are reduced at a schoolsite, then those grade levels shall be kindergarten and grades 1 to 5, inclusive. First priority shall be given to the reduction of class sizes in grades 1 and 2, second priority shall be given to the reduction of class size in kindergarten and grade 3, third priority shall be given to the reduction of class size in grades 4 and 5. This paragraph shall be operative only in those fiscal years for which funds are appropriated expressly for the purposes of this paragraph.

- (c) It is the intent of the Legislature to continue to permit the use of combination classes of more than one grade level to the extent that school districts are otherwise permitted to use that instructional strategy. However, any school district that uses a combination class in any class for which funding is received pursuant to this chapter may not claim funding pursuant to this chapter if the total number of pupils in the combination class, regardless of grade level, exceeds—20 the maximum allowable number of pupils per certificated teacher assigned to provide direct instructional services.
- (d) The governing board of a school district shall certify to the Superintendent—of—Public—Instruction—that it has met the requirements of this section in implementing its class size reduction program. If a school district receives funding pursuant to this chapter but has not implemented its class size reduction program for all grades and classes for which it received funding pursuant to this chapter, the Superintendent—of Public Instruction shall notify the Controller and the school district in writing and the Controller shall deduct an amount equal to the amount received by the school district under this chapter for each class that the school district failed to reduce to—a the class size—of 20 or less—pupils required in Section 52122 from the next principal apportionment or apportionments of state funds to the district, other than basic aid apportionments required by Section 6 of Article IX of the California Constitution.
- (e) Except-For a school district participation in the class size reduction program pursuant to subdivision (a) of Section 52122, except for a school district participating pursuant to subdivision (h) parapraph (5) of subdivision (a) of Section 52122, the amount deducted pursuant to subdivision (d) shall be adjusted as follows:

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(1) Twenty percent of the amount to which the district would otherwise be eligible for each class for which the annual enrollment determined pursuant to Section 52124.5 is greater than or equal to 20.5 but less than 21.0.

- (2) Forty percent of the amount to which the district would otherwise be eligible for each class for which the annual average enrollment determined pursuant to Section 52124.5 is greater than or equal to 21.0 but less than 21.5.
- (3) Eighty percent of the amount to which the district would otherwise be eligible for each class for which the annual average enrollment determined pursuant to Section 52124.5 is greater than or equal to 21.5 but less than 21.9.
- (4) The amount deducted pursuant to subdivision (d) for each class for which the annual average enrollment determined pursuant to 52141.5 is greater than or equal to 21.9 shall be the amount of funding the district received for the class pursuant to this chapter.
- (f) Notwithstanding any other provision of this chapter, a school district located in the County of Los Angeles, Riverside, San Bernardino, San Diego, or Ventura may claim funding pursuant to this chapter for the 2003–04 school year based on enrollment counts before the October 2003 fires, in classes for which the class size reduction program is implemented if the following criteria are met:
- (1) The school district submits to the Superintendent of Public Instruction a "Request for Allowance of Attendance because of Emergency Conditions" pursuant to Section 46392 and the emergency conditions were caused by the October 2003 fires.
- (2) The school district certifies that it suffered a loss of enrollment in classes in which the class size reduction program is implemented and this loss of enrollment is due to the October 2003 fires and would result in a decrease in funding that the district receives pursuant to this chapter.
- (g) This section shall be operative until July 1, 2009, and as of January 1, 2010, is repealed, unless a later enacted statute deletes or extend that date.
- 37 SEC. 7. Section 52124 of theEducation Code, as added by 38 Section 2 of Chapter 910 of the Statutes of 2004, is amended to 39 read:

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 52124. (a) Any school district that implements a class size reduction program pursuant to this chapter is subject to this section.

- (b) A school district may establish a program to reduce class size in kindergarten and grades 1 to 3, inclusive, and that program shall be implemented at each schoolsite according to the following priorities:
- (1) If only one grade level is reduced at a schoolsite, the grade level shall be grade 1.
- (2) If only two grade levels are reduced at a schoolsite, the grade levels shall be grades 1 and 2.
- (3) If three grade levels are reduced at a schoolsite, then those grade levels shall be kindergarten and grades 1 and 2 or grades 1 to 3, inclusive. Priority shall be given to the reduction of class sizes in grades 1 and 2 before the class sizes of kindergarten or grade 3 are reduced.
- (4) If four grade levels are reduced at a schoolsite, then those grade levels shall be kindergarten and grades 1 to 3, inclusive. First priority shall be given to the reduction of class sizes in grades 1 and 2, second priority shall be given to the reduction of class size in kindergarten and grade 3. This paragraph shall be operative only in those fiscal years for which funds are appropriated expressly for the purposes of this paragraph.
- (5) If five grade levels are reduced at a schoolsite, then those grade levels shall be kindergarten and grades 1 to 4, inclusive. First priority shall be given to the reduction of class sizes in grades 1 and 2, second priority shall be given to the reduction of class size in kindergarten and grade 3, third priority shall be given to the reduction of class size in grade 4. This paragraph shall be operative only in those fiscal years for which funds are appropriated expressly for the purposes of this paragraph.
- (6) If six grade levels are reduced at a schoolsite, then those grade levels shall be kindergarten and grades 1 to 5, inclusive. First priority shall be given to the reduction of class sizes in grades 1 and 2, second priority shall be given to the reduction of class size in kindergarten and grade 3, third priority shall be given to the reduction of class size in grades 4 and 5. This paragraph shall be operative only in those fiscal years for which funds are appropriated expressly for the purposes of this paragraph.

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(c) It is the intent of the Legislature to continue to permit the use of combination classes of more than one grade level to the extent that school districts are otherwise permitted to use that instructional strategy. However, any school district that uses a combination class in any class for which funding is received pursuant to this chapter may not claim funding pursuant to this chapter if the total number of pupils in the combination class, regardless of grade level, exceeds—20 the maximum allowable number of pupils per certificated teacher assigned to provide direct instructional services.

(d) The governing board of a school district shall certify to the Superintendent—of Public Instruction that it has met the requirements of this section in implementing its class size reduction program.

If a school district receives funding pursuant to this chapter but has not implemented its class size reduction program for all grades and classes for which it received funding pursuant to this chapter, the Superintendent-of Public Instruction shall notify the Controller and the school district in writing and the Controller shall deduct an amount equal to the amount received by the school district under this chapter for each class that the school district failed to reduce to-a the class size of 20 or less pupils required in Section 52122 from the school district's next principal apportionment or apportionments of state funds to the district, other than basic aid apportionments required by Section 6 of Article IX of the California Constitution.

- (e) This section is operative on and after July 1, 2009.
- SEC. 8. Section 52126 of the Education Code is amended to read:
- 52126. The amount of funding that each school district implementing a Class Size Reduction Program pursuant to this chapter is eligible to receive shall be computed as follows:
- (a) (1) If a school district applies to participate in Option One, pursuant to-subparagraph (A) of paragraph (2) of subdivision (b) clause (i) of subparagraph (B) of paragraph (2) of subdivision (a) of Section 52122, the Superintendent-of Public Instruction shall apportion to the applicant school district an amount equal to eight hundred dollars (\$800) nine hundred six dollars (\$906) for each pupil actually enrolled in the classes in which the school district implements the program, except that the maximum

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number of pupils for which a school district may claim funding for any class shall not exceed 20. The number of pupils claimed pursuant to this subdivision shall be pupils actually enrolled in classes participating in the Class Size Reduction Program and shall not be based on the average size of the classes for any grade levels for which funding is claimed.

- (2) If a school district applies to participate in Option One, pursuant to clause (i) of subparagraph (B) of paragraph (2) of subdivision (b) of Section 52122, the Superintendent shall apportion to the applicant school district an amount equal to _____ dollars (\$____) for each pupil actually enrolled in the classes in which the school district implements the program. The number of pupils claimed pursuant to this subdivision shall be pupils actually enrolled in classes participating in the Class Size Reduction Program and shall not be based on the average size of the classes for any grade levels for which funding is claimed.
- (3) If a school district applies to participate in Option One, pursuant to clause (i) of subparagraph (B) of paragraph (2) of subdivision (c) of Section 52122, the Superintendent shall apportion to the applicant school district an amount equal to _____ dollars (\$____) for each pupil actually enrolled in the classes in which the school district implements the program. The number of pupils claimed pursuant to this subdivision shall be pupils actually enrolled in classes participating in the Class Size Reduction Program and shall not be based on the average size of the classes for any grade levels for which funding is claimed.
- (b) (1) If a school district applies to participate in Option Two, pursuant to subparagraph (B) of paragraph (2) of subdivision (b) clause (ii) of subparagraph (B) of paragraph (2) of subdivision (a) of Section 52122, the Superintendent of Public Instruction shall apportion to the applicant school district an amount equal to four hundred fifty-three dollars—(\$400) (\$453) per pupil actually enrolled in the classes in which the school district implements the program, except that the number of pupils in any class for which a school district may claim funding for the instructional minutes offered shall not exceed 20. The number of pupils claimed pursuant to this subdivision shall be pupils actually enrolled in classes participating in the Class Size Reduction Program and shall not be based on the average size of the classes for any grade levels for which funding is claimed.

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(2) If a school district applies to participate in Option Two, pursuant to clause (ii) of subparagraph (B) of paragraph (2) of subdivision (b) of Section 52122, the Superintendent shall apportion to the applicant school district an amount equal to _____ dollars (\$____) per pupil actually enrolled in the classes in which the school district implements the program. The number of pupils claimed pursuant to this subdivision shall be pupils actually enrolled in classes participating in the Class Size Reduction Program and shall not be based on the average size of the classes for any grade levels for which funding is claimed.

- (3) If a school district applies to participate in Option Two, pursuant to clause (ii) of subparagraph (B) of paragraph (2) of subdivision (c) of Section 52122, the Superintendent shall apportion to the applicant school district an amount equal to _____ dollars (\$____) per pupil actually enrolled in the classes in which the school district implements the program. The number of pupils claimed pursuant to this subdivision shall be pupils actually enrolled in classes participating in the Class Size Reduction Program and shall not be based on the average size of the classes for any grade levels for which funding is claimed.
- (c) (1) If a school district applies to participate in Option One, pursuant to subparagraph (A) of paragraph (2) of subdivision (b) of Section 52122, the Superintendent of Public Instruction shall apportion to the applicant school district an amount equal to six hundred fifty dollars (\$650) for each pupil actually enrolled in the classes in which the school district implements the program and at least one of the following conditions exists:
- (A) The requirements of subdivision (e) of Section 52122 have been satisfied, except for the requirements of either paragraph (1) or (2), of that subdivision, or both.
- (B) The pupil enrolls in the school district after February 16, 1998.
- (2) The maximum number of pupils for which a school district may claim funding for any class does not exceed 20. The number of pupils claimed pursuant to this subdivision shall be pupils actually enrolled in classes participating in the Class Size Reduction Program, and shall not be based on the average size of the classes for any grade levels for which funding is claimed.
- (d) (1) If a school district applies to participate in Option 2, pursuant to subparagraph (B) of paragraph (2) of subdivision (b)

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of Section 52122, the Superintendent of Public Instruction shall apportion to the applicant district an amount equal to three hundred twenty-five dollars (\$325) for each pupil actually enrolled in the classes in which the school district implements the program and at least one of the following conditions exists:

- (A) The requirements of subdivision (e) of Section 52122 have been satisfied, except for the requirements of either paragraph (1) or (2) of that subdivision, or both.
- 9 (B) The pupil enrolls in the school district after February 16, 10 1998.
 - (2) The maximum number of pupils for which a school district may claim funding for any class shall not exceed 20. The number of pupils claimed pursuant to this subdivision shall be pupils actually enrolled in classes participating in the Class Size Reduction Program, and shall not be based on the average size of the classes for any grade levels for which funding is claimed.

(e)

(c) The per pupil amount set forth in subdivisions (a) and (b) shall be increased annually for inflation by the percentage change determined pursuant to subdivision (b) of Section 42238.1.

(f)-

(d) Except for the advance apportionment, the Superintendent of Public Instruction shall apportion funds to a school district only after certification that its—Class Size Reduction Program class size reduction program has been implemented for that fiscal year.

(g)

- (e) The Superintendent—of Public Instruction shall apportion funds for this program in the following manner:
- (1) An advance apportionment shall be made following passage of the annual Budget Act. This apportionment shall be provided to all school districts that participated in the program in the prior fiscal year, and shall be limited to 25 percent of the amount computed by multiplying the appropriate per pupil stipends times the actual enrollment in each participating class in the prior fiscal year, as reported by the district pursuant to subdivision (d) of Section 52124.
- (2) Each year an apportionment to all applicants shall be made following receipt of applications submitted pursuant to Section 52123, adjusted as necessary by the amount received pursuant to

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paragraph (1). If a school district that participated in this program in the prior fiscal year fails to submit an application, all funds apportioned to that school district pursuant to paragraph (1) shall be deducted from the district's next monthly principal apportionment payment.

(3) A final adjustment to the amounts paid pursuant to paragraph (2) shall be made following receipt of the actual enrollment in each participating class, to be reported by each school district pursuant to subdivision (d) of Section 52124.

(h)

(f) Irrespective of the amount that a school district receives pursuant to subdivision (a) on the basis of the application it makes under Section 52123, that district shall not retain any funds it receives for any class that does not actually meet all of the requirements of the Class Size Reduction Program, except as provided by Section 52124.

(i)-

- (g) It is the intent of the Legislature that the total statewide amount computed for the purposes of this chapter pursuant to this section, commencing with the 1997–98 fiscal year, be appropriated to the Superintendent of Public Instruction in the annual Budget Act.
- (h) A school district that implements a class size reduction program pursuant to Section 52122 shall each year receive the amount apportioned pursuant to subdivision (a), if it participates in Option One, or the amount apportioned pursuant of subdivision (b), if it participates in Option Two, even if the score of the school for which the moneys are apportioned is not within the deciles of the API initially required for the class size reduction program pursuant to Section 52122 for whic the moneys are apportioned.
- 41601. For the purposes of this chapter, the governing board of each school district shall report to the Superintendent during each fiscal year the average daily attendance of the district for all full school months during (1) the period between July 1 and December 31, inclusive, to be known as the "first period" report for the first principal apportionment, and (2) the period between July 1 and April 15, inclusive, to be known as the "second period" report for the second principal apportionment. Each county superintendent of schools shall report the average daily

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attendance for the schools and classes maintained by him or her and the average daily attendance for the county school tuition fund.

Each report shall be prepared in accordance with instructions on forms prescribed and furnished by the Superintendent. Average daily attendance shall be computed in the following manner:

- (a) (1) The average daily attendance in the regular elementary, middle, and high schools, including continuation schools and classes, opportunity schools and classes, and special day classes, maintained by the school districts shall be determined by dividing the total number of days of attendance allowed in all full school months in each period by the number of days the schools are actually taught in all full school months in each period, exclusive of Saturdays or Sundays and exclusive of weekend makeup classes pursuant to Section 37223.
- (2) Commencing with the 2006-07 fiscal year, the average daily attendance in the regular elementary, middle, and high schools, including continuation schools and classes, opportunity schools and classes, and special day classes, maintained by school districts shall be determined by dividing the total number of days of active enrollment by pupils allowed in all full school months in each period by the number of days the schools are actually taught in all full school months in each period, exclusive of Saturdays or Sundays and exclusive of weekend makeup classes pursuant to Section 37223.
- (b) The attendance for schools and classes maintained by a county superintendent of schools and the county school tuition fund shall be reported in the same manner as reported by school districts. The average daily attendance in special education classes operated by county superintendents of schools shall be determined in the same manner as all other attendance under subdivision (a). The average daily attendance in all other schools and classes maintained by the county superintendents of schools shall be determined by dividing the total number of days of attendance in all full school months in the first period by a divisor of 70, in the second period by 135 and at annual time by 175. For attendance in special classes and centers pursuant to Section 56364 or Section 56364.2, as applicable, the average daily attendance shall be reported by the county superintendents

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of schools, but credited for revenue limit purposes to the district in which the pupil resides.

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(c) The days of attendance in classes for adults and regional occupational centers programs shall be reported in the same manner as all other attendance under subdivision (a). The average daily attendance in those schools and classes shall be determined by dividing the total number of days of attendance in all full school months in the first period by a divisor of 85 in the second period by 135 and at annual time by 175.